

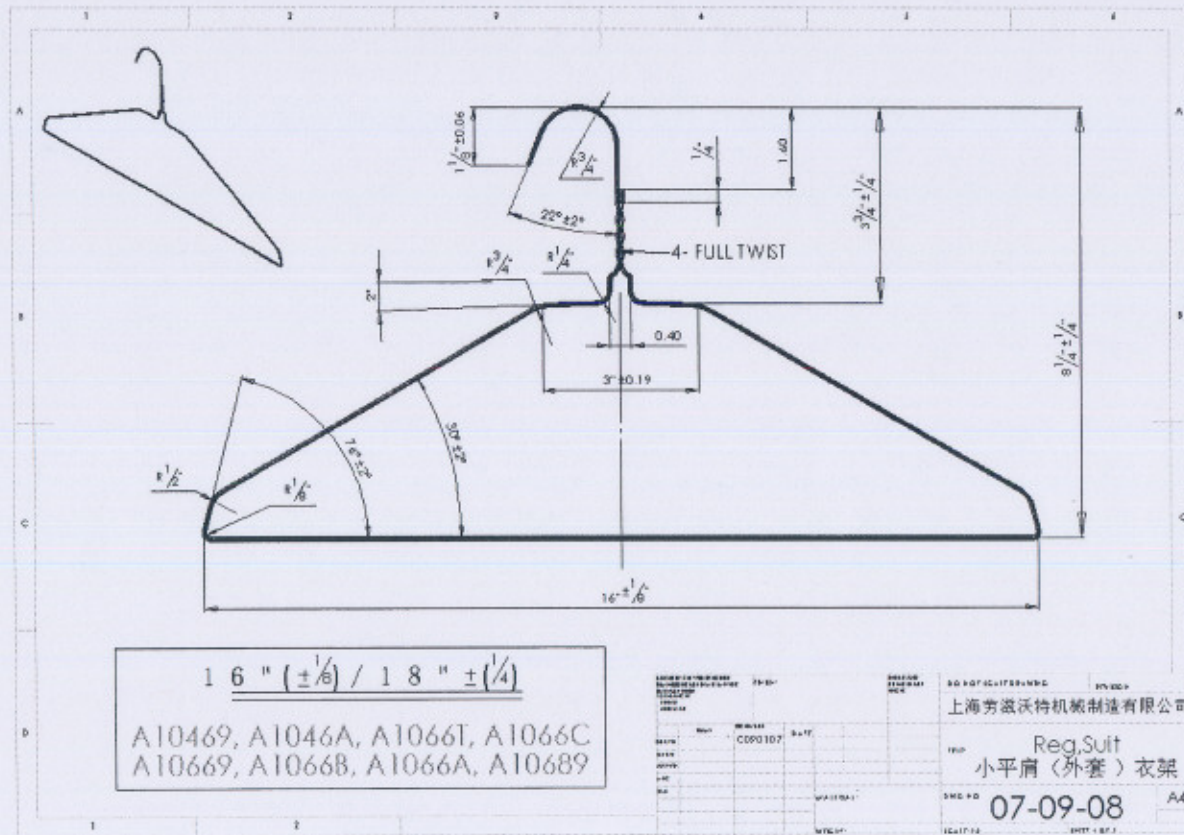
ITC Investigation:
Steel Wire Garment Hangers from China

July 31, 2008

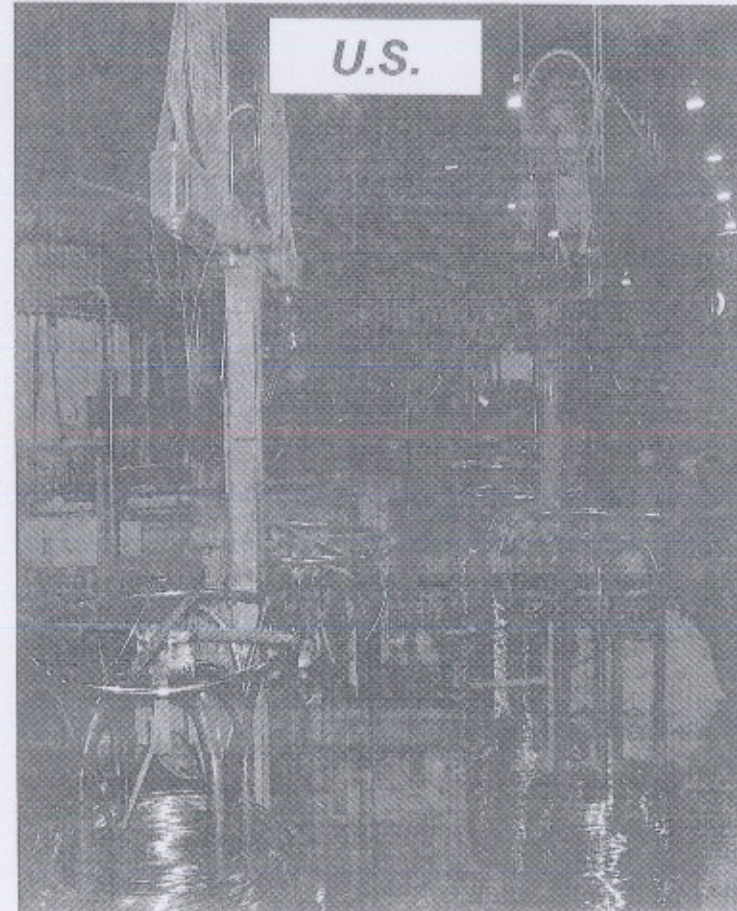
Laidlaw Company

Tom Schultz
Chief Executive Officer

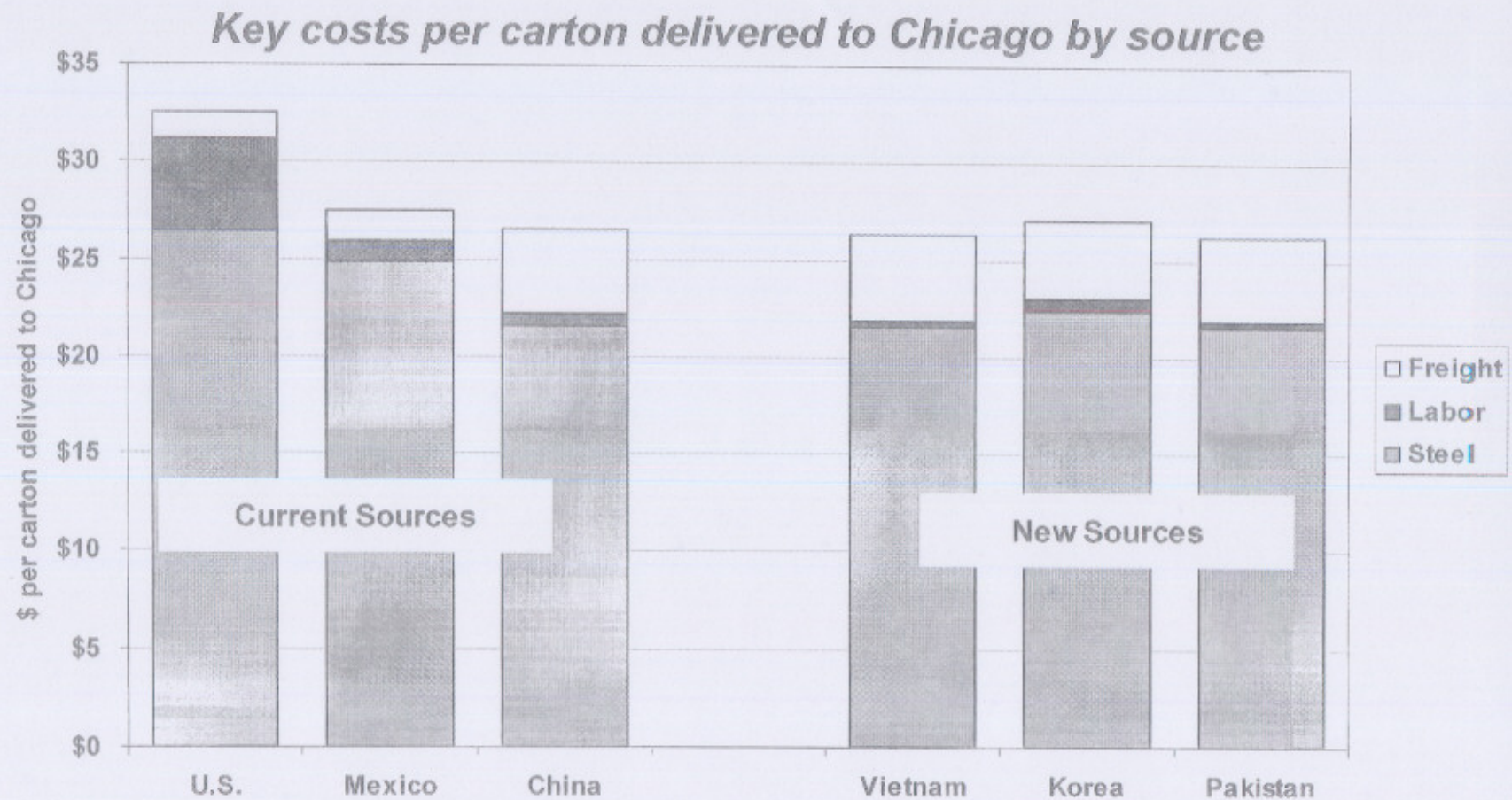
Import and domestic products are Identical...



Production technology is the same for all....



Factor costs differ significantly...The U.S. has much higher factor costs

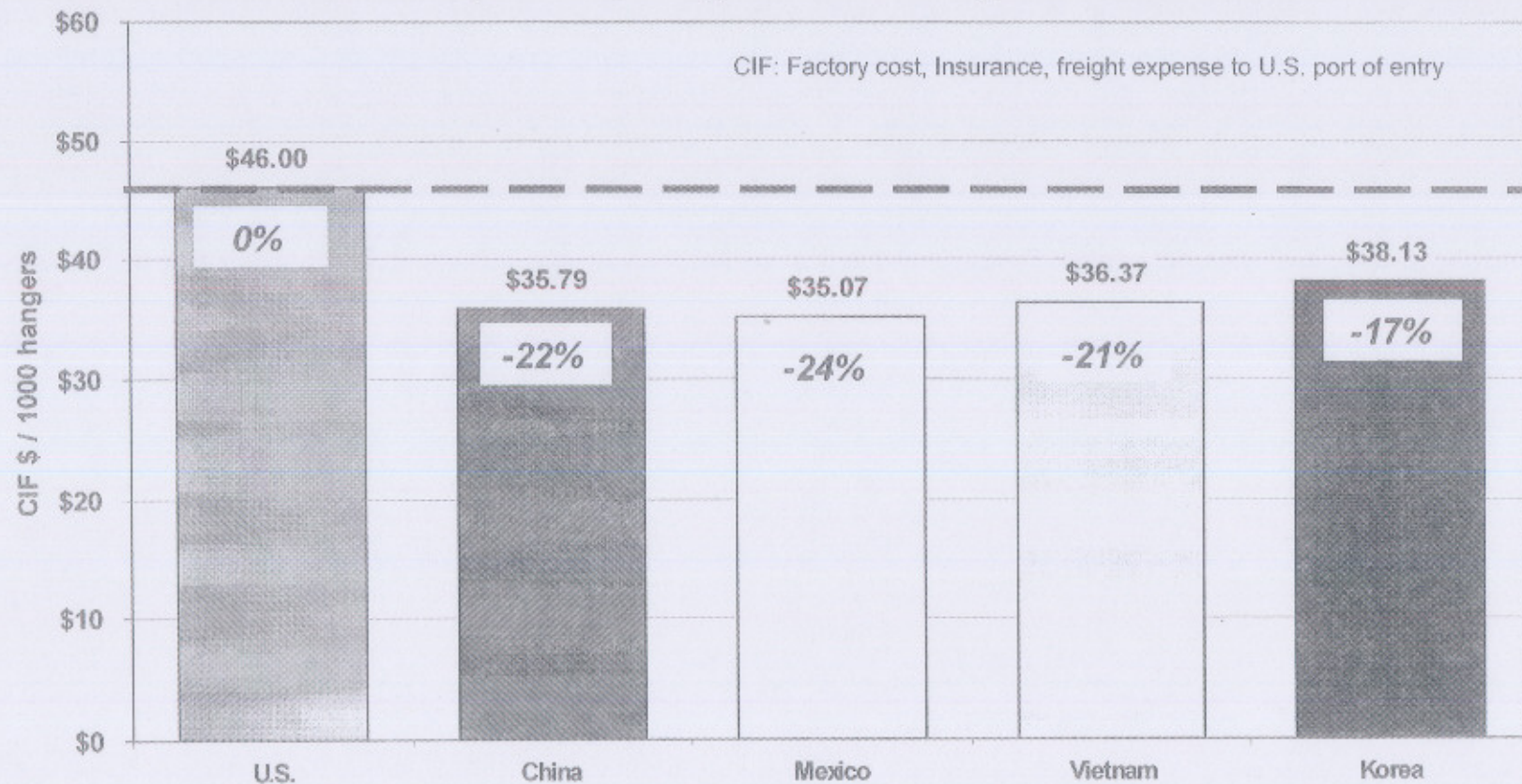


Source: Laidlaw estimates

Presentation by Tom Schultz, CEO, Laidlaw Company, LLC before the ITC, July 31, 2008

U.S. Production expense greatly exceeds the cost of imports...

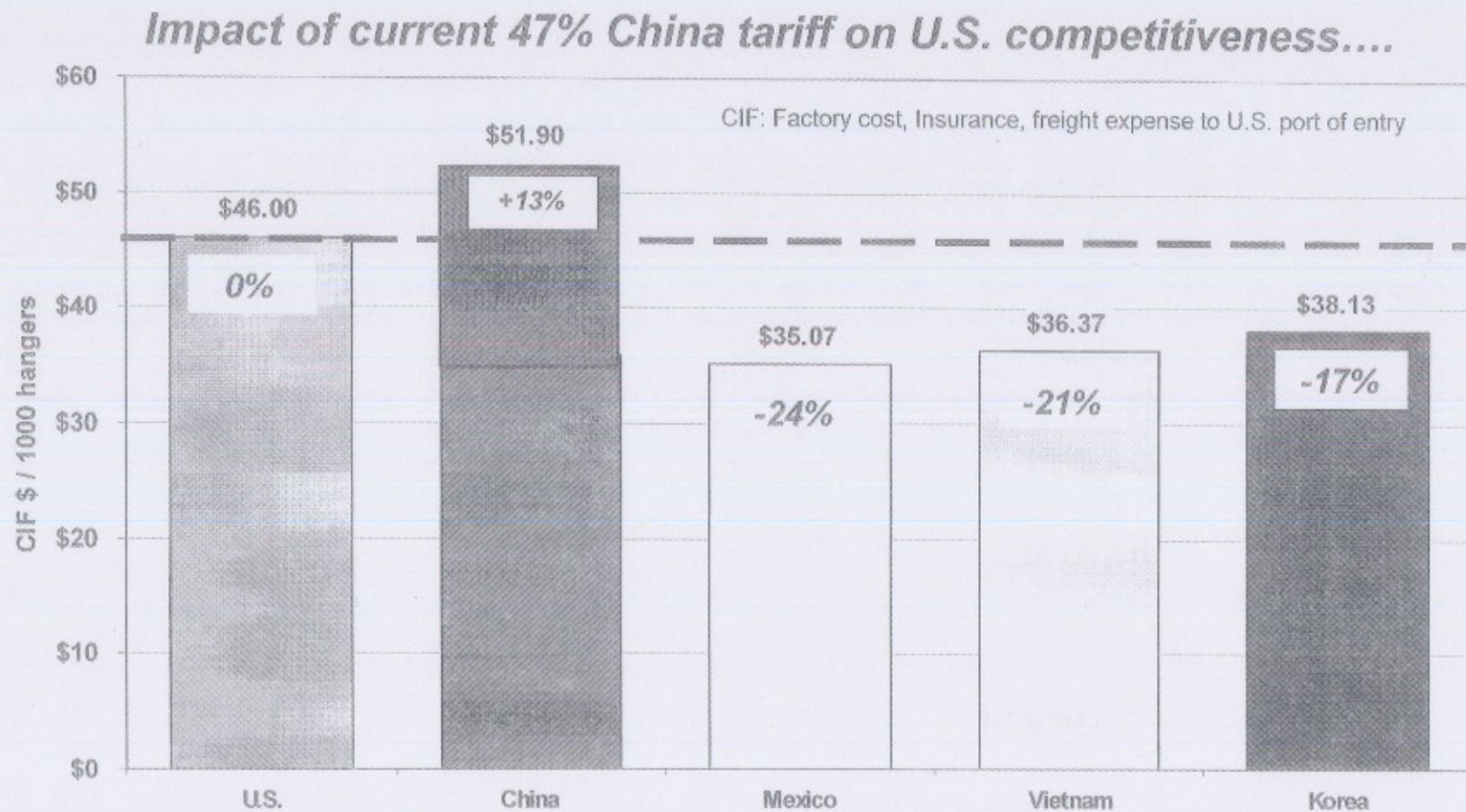
CIF value of imported hangers vs. U.S. production cost - 2008



Source: Laidlaw U.S. factory costs; DOC import statistics

Presentation by Tom Schultz, CEO, Laidlaw Company, LLC before the ITC, July 31, 2008

A tariff will not make the U.S. competitive...

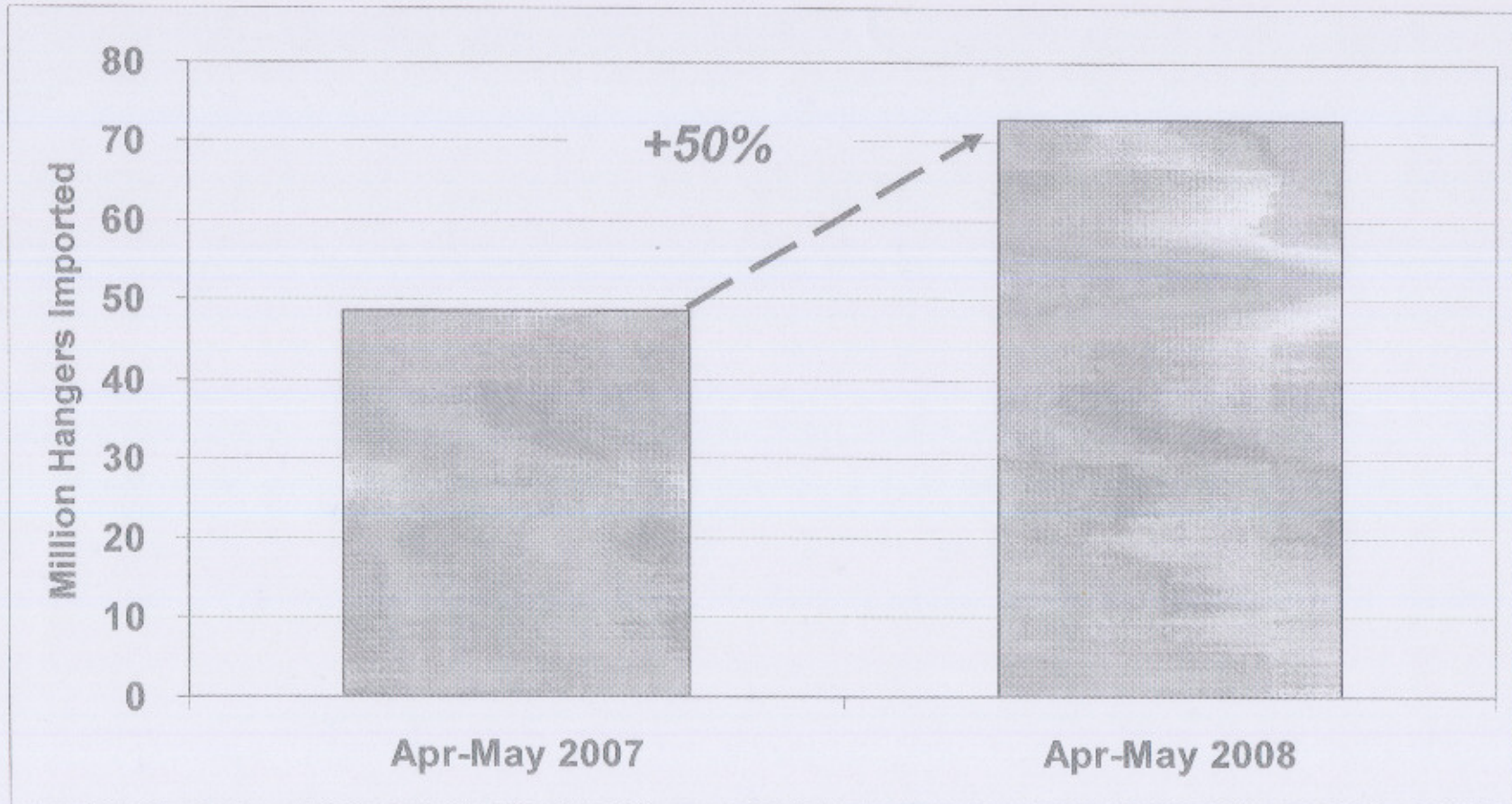


Source: Laidlaw U.S. factory costs; DOC import statistics

Presentation by Tom Schultz, CEO, Laidlaw Company, LLC before the ITC, July 31, 2008

Mexico is displacing China imports...

Mexico imports greatly expanded after tariff takes effect.....



Hanger factories are migrating out of China...

Andrew moves main factory to Vietnam in less than 90 days



New hanger factories are appearing throughout the world

- Vietnam Two factories in operation
- Korea Initial shipments received
- Taiwan Initial shipment on the water
- Russia Production equipment purchased
- Pakistan Production equipment ordered

Summary...

- The U.S. is not competitive in hanger production for cost reasons... high steel, labor, operating costs
- China is only one of many countries lower cost than U.S.
- A China tariff simply shifts production to other countries with no benefit the U.S. producers
- This shift is happening very rapidly.
 - Mexico: Immediately
 - Vietnam: 90 days
 - Taiwan: 120 days
 - Others: 6 months or less
- Even with a tariff, U.S. hanger production jobs will disappear as Vietnam, Taiwan, Korea, etc. replace China as the low cost source of hangers for the U.S. market.

Conclusion

The hanger industry may be unique in simplicity of its product and ease of moving production to new, lower cost, countries.

An antidumping tariff on Chinese imports can not make domestic producers competitive in the U.S market.